

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, July 27, 2006

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Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 67

Subject: Authorize award, negotiation and execution of a 36-month requirements service agreement with TEXAS LEGAL PROTECTION PLAN, INC., Austin, TX, for group legal plan services in an estimated amount not to exceed \$1,925,000, with three 12-month extension options in the estimated amounts not to exceed \$855,000 for the first option, \$940,000 for the second option and \$1,030,000 for the third option, for a total estimated contract amount not to exceed \$4,750,000.

Amount and Source of Funding: Funding in the amount of \$435,715 is available in the Fiscal Year 2006-2007 Proposed Operating Budget for the Employee Benefit Fund of the Human Resources Department. Funding for the remaining 27 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

**Additional Backup
Material**

(click to open)

No Attachments Available

For More Information: Rosemary Ledesma, Supervising Sr. Buyer/974-2011 or Dee Hernandez, Benefits Manager/974-3409.

Purchasing Language: Best evaluated proposal of four proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for a fully-insured employee paid Pre-Paid Group Legal Plan for City employees and other eligible participants. The City makes available a Pre-Paid Group Legal Plan providing personal legal services which employees can elect for themselves and/or eligible dependents and have premiums deducted from their paychecks. The personal legal services which can be obtained under this program include legal hotline, preventive legal, major trial services, divorce/separation/annulment, adoption, wills, court and administrative proceeding services, name changes, consumer protection, IRS representation, and defense services for various personal legal matters.

The estimated contract amounts were based on enrollment increasing 10% for each of the six years.

The total amount for the initial contract period which is January 1, 2007 through December 31, 2009 is estimated at \$1,925,000. The three extension options, if exercised will extend the term through December 31, 2012.

An evaluation panel consisting of benefits expert personnel from the Human Resources department evaluated the proposals based on conformance to scope of work, demonstrated applicable experience, personnel qualifications, evidence of good organization and management practices, and total evaluated cost. The recommendation for award was to Texas Legal Protection Plan, Inc. (TLPP), the best evaluated proposer offering the lowest cost. TLPP has been providing these services for over 30 years and their network includes participating attorneys located in over 140 cities throughout the State. There will be more than 130 Attorneys available in the Austin area under the program.

The 2007-2009 monthly rates are \$10.82 for Employee Only and \$15.16 for Employee and Family. Rates are guaranteed for the initial contract period with a not to exceed 10% increase for the first extension option. Rates for the second and third extension options are guaranteed at the first extension option rate.

MBE/WBE solicited: 16/7 MBE/WBE bid: 0/0

RFP No. RL06300052 PRICE ANALYSIS a. Adequate competition. b. Seventy-One notices were sent, including 16 MBEs and seven WBEs. Thirteen solicitations were issued, including two MBEs and no WBEs. Four proposals were received with no response from the MBEs.

APPROVAL JUSTIFICATION a. Best evaluated proposal. b. The Purchasing Office concurs with the Human Resources Department's recommended award. c. Advertised in the Austin American Statesman and on the Internet.